

CHURCHILL DOWNS

INCORPORATED

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Churchill Downs Incorporated Announces a Major Expansion at Derby City Gaming

\$76 Million Investment to Include a Hotel, Additional Gaming Positions and an Upscale-Casual Restaurant

LOUISVILLE, KY., (July 28, 2021) – Churchill Downs Incorporated (“CDI” or the “Company”) (Nasdaq: CHDN) announced today a \$76 million expansion at Derby City Gaming that includes construction of a hotel, additional gaming positions and expansion of the current amenities at the facility in order to better serve and attract guests.

The project will add 135,000 sq. ft. of new space to the facility and open with 200 additional gaming positions. The new space will be able to ultimately accommodate up to 400 new gaming positions. The expansion will include a VIP gaming space, a new sports bar, a stage for live entertainment and an upscale-casual restaurant and bar to create a variety of new food and beverage options for gaming and hotel guests throughout the entire day.

The adjoining five-story hotel tower will include 123 rooms with 108 standard guest rooms, 14 corner suites and a VIP suite. The Derby City Gaming hotel will allow for guests to take advantage of unique hospitality and Kentucky Derby ticket pairing options.

The Derby City Gaming expansion will include a five-story hotel.



An expanded gaming floor is scheduled to open in late 2022 with the hotel targeted to open in spring 2023.

“Derby City Gaming continues to exceed the Company’s expectations,” said Bill Carstanjen, CEO of CDI. “The expansion of this premier gaming property is intended to create an elevated experience for our guests that is inclusive of all their hospitality needs and is anticipated to fuel ongoing growth in purse contributions for Churchill Downs Racetrack.”

Construction on the project is scheduled to begin in early 2022 pending rezoning review and approval by the City of Louisville. The expanded gaming floor is targeted to open in late 2022 and the hotel is expected to open in the spring of 2023. The project is expected to provide for approximately 400 construction jobs and approximately 60 new permanent jobs at Derby City Gaming.

About Churchill Downs Incorporated

Churchill Downs Incorporated is an industry-leading racing, online wagering and gaming entertainment company anchored by our iconic flagship event, the Kentucky Derby. We own and operate three pari-mutuel gaming entertainment venues with approximately 3,050 historical racing machines in Kentucky. We also own and operate TwinSpires, one of the largest and most profitable online wagering platforms for horse racing, sports and iGaming in the U.S. and we have seven retail sportsbooks. We are also a leader in brick-and-mortar casino gaming in eight states with approximately 11,000 slot machines and video lottery terminals and 200 table games. www.churchilldownsincorporated.com

About Derby City Gaming

Derby City Gaming opened its doors on September 14, 2018 as the only gaming facility in Louisville, Kentucky. The 93,000 square foot facility is located approximately five miles from both the Louisville International Airport and the historic Churchill Downs Racetrack. Derby City Gaming features over 1,000 state-of-the-art Historical Racing Machines with over 130 popular game themes. The facility also includes two locally-inspired restaurants, Lil' Wagners and Railbird's Hot Chicken that seat over 160 people, a spacious 60-seat center bar with fourteen large TVs and two dedicated smoking and gaming patios with over 300 games combined, and more. www.DerbyCityGaming.com

Certain statements made in this news release contain various "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are typically identified by the use of terms such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "might," "plan," "predict," "project," "seek," "should," "will," and similar words or similar expressions (or negative versions of such words or expressions).

Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Important factors, among others, that may materially affect actual results or outcomes include the following: the impact of the novel coronavirus (COVID-19) pandemic, including the emergence of variant strains, and related economic matters on our results of operations, financial conditions and prospects; the occurrence of extraordinary events, such as terrorist attacks, public health threats, civil unrest, and inclement weather; the effect of economic conditions on our consumers' confidence and discretionary spending or our access to credit; additional or increased taxes and fees; the impact of significant competition, and the expectation the competition levels will increase; changes in consumer preferences, attendance, wagering, and sponsorships; loss of key or highly skilled personnel; lack of confidence in the integrity of our core businesses or any deterioration in our reputation; risks associated with equity investments, strategic alliances and other third-party agreements; inability to respond to rapid technological changes in a timely manner; concentration and evolution of slot machine manufacturing and other technology conditions that could impose additional costs; inability to negotiate agreements with industry constituents, including horsemen and other racetracks; inability to successfully expand our TwinSpires Sports and Casino business and effectively compete; inability to identify and complete expansion, acquisition or divestiture projects, on time, on budget or as planned; difficulty in integrating recent or future acquisitions into our operations; costs and uncertainties relating to the development of new venues and expansion of existing facilities; general risks related to real estate ownership and significant expenditures, including fluctuations in market values and environmental regulations; reliance on our technology services and catastrophic events and system failures disrupting our operations; online security risk, including cyber-security breaches, or loss or misuse of our stored information as a result of a breach, including customers' personal information, could lead to government enforcement actions or other litigation; personal injury litigation related to injuries occurring at our racetracks; compliance with the Foreign Corrupt Practices Act or applicable money-laundering regulations; payment-related risks, such as risk associated with fraudulent credit card and debit card use; work stoppages and labor issues; risks related to pending or future legal proceedings and other actions; highly regulated operations and changes in the regulatory environment could adversely affect our business; restrictions in our debt facilities limiting our flexibility to operate our business; failure to comply with the financial ratios and other covenants in our debt facilities and other

indebtedness; and increase in our insurance costs, or obtain similar insurance coverage in the future, and inability to recover under our insurance policies for damages sustained at our properties in the event of inclement weather and casualty events.

We do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.